

MINUTES OF THE
HIGHER EDUCATION APPROPRIATIONS SUBCOMMITTEE
WEDNESDAY, FEBRUARY 3, 2010, 2:00 P.M.
Room W020, House Building, State Capitol Complex

Members Present: Sen. John Valentine, Co-Chair
Rep. Melvin R. Brown, Co-Chair
Sen. J. Stuart Adams
Sen. Ross I. Romero
Sen. Steven H. Urquhart
Rep. Johnny Anderson
Rep. Trisha S. Beck
Rep. Bradley M. Daw
Rep. Kay L. McIff
Rep. Carol Spackman Moss
Rep. Evan J. Vickers
Rep. C. Brent Wallis
Rep. R. Curt Webb
Rep. Mark A. Wheatley

Staff Present: Spencer Pratt, Fiscal Manager
Lorna Wells, Secretary

Public Speakers Present: John Sutherland, Chair Technology Initiative Advisory Board
Philip Johnson, Director of Human Resources, L-3 Communications
Brandon Johnson - VP Information Systems, Goldman Sachs
Hamilton Shattuck, University Relations Manager, IM Flash Technologies
Stan Lockhart, Gov't Affairs Manager, IM Flash Technologies
Bret Webster, Northrup Grumman
Mike Freeman, UVU Library Director
Kimberly Rollins, Public Affairs Coordinator
David Buhler, Associate Commissioner
Joseph Watkins, Student Association
William A. Sederburg, Commissioner, State Board of Regents
Dan Hurley, Director of State Relations and Policy Analysis, at American Association of State Colleges and Universities.

A list of visitors and a copy of handouts are filed with the committee minutes.

1. Call to order - Committee Co-Chair Brown called the meeting to order at 2:12 p.m.
2. Minutes of 1/27/2010, 1/28/2010, and 2/1/2010

MOTION: Rep. Wallis made the motion to approve the minutes of 1/27/2010, 1/28/2010 and 2/1/2010.

The motion passed unanimously with Sen. Valentine, Sen. Urquhart, Rep. McIff and Rep. Moss absent for the vote.

3. Unfinished Business. Spencer Pratt responded to Rep. Daw's question in an earlier meeting regarding funding of education in the state of New Mexico. Mr. Pratt reported that New Mexico provided \$15 million to higher education from its state lands.

4. Technology Initiative Advisory Board - John Sutherland, Chair of the Technology Initiative Advisory Board reported to the Committee. Mr. Sutherland introduced representatives from industry. He distributed copies of the Annual Report. He reported that as required by law, all of the funding was matched for the last fiscal year. He discussed a workforce data survey which was completed during 4th Quarter of 2009. He discussed the demand and growth of engineering programs and the need for qualified engineers.

Philip Johnson reported that L-3 Communications is growing in the Salt Lake area. They currently employ about 3300 employees, which includes 1500 engineers, they had 406 new hires last year, of which 252 were engineers. They expect this trend to continue for this year. They did hire 48 engineers from out of state last year. They had 95 cooperative education students from the USHE institutions.

Sen. Adams asked if L-3 hires individuals who are working on their engineering degree. Mr. Johnson did say that they do have a very progressive education program. Sen. Adams asked if it is helpful to have an educational program in close proximity to L-3. Mr. Johnson said that this is a benefit for L-3 Communications.

Brandon Johnson said that technology is the largest division of Goldman Sachs. Goldman Sachs has had a presence in Salt Lake for many years, and wants to continue to build their presence. They hired 100 Utah graduates last year. They would like to hire 100 more engineers and computer science programmers this coming year. It is important for Goldman Sachs to have a pipeline from the USHE institutions from which to draw these talented individuals.

Hamilton Shattuck stated that IM Flash Technologies is a joint venture between Intel and Micron. They are very much in support of the engineering initiative. They are the world's leading nano-technology company. They have 550 engineers and 550 technicians, they want to continue to hire engineers locally.

Rep. Anderson asked what is the starting salary of an engineer at IM Flash? Mr. Shattuck reported that chemical engineers start at \$60,000 - \$65,000 salary.

Rep. Beck asked if there are some education incentives to recruit engineers. Mr. Shattuck answered that they do have a paid internship program, tuition reimbursement, and other educational incentives.

Stan Lockhart reported that the industries involved with the engineering initiative represent about 8,000 to 10,000 Utah jobs. Between Micron, Intel and IM Flash they have given millions of dollars to the USHE institutions to help support education in the state.

Bret Webster discussed the fact that Northrup Grumman has several operations in Utah, with 2,000 employees and 600-700 engineers. The ICBM management facility near Hill Air Force Base employs 600 military people and several hundred engineers. They are very dependent on an ample supply of highly-trained accredited engineers. He urged the committee to continue to provide resources to support the engineering initiative.

Sen. Adams asked if it is important to have close proximity between their facilities and educational institutions where engineers are trained. Mr. Webster said there is cooperation with engineers in training. They are actively recruiting engineers from within the state. Engineers that hired within the

state are more likely to stay in the state. They do have some internship programs, the proximity doesn't seem to be an issue for them.

Rep. McIff reported that this committee is very receptive to this message. He asked how the supply of engineers in Utah relates to other states. Mr. Sutherland answered that the growth of engineers in Utah has been about double other states. Rep. McIff asked if Utah has enough engineering graduates. Mr. Sutherland reported that occasionally these companies do have to import some engineers from out of state, which means there is a small shortage. Utah does retain a larger percentage of the engineering graduates.

Rep. Moss asked about the percentage of employees who are graduates from Utah universities. She also asked if they actively recruit outside of Utah. Mr. Webster said that well over 50 percent of their employees are from Utah. They do recruit from out of state to fill open positions.

Sen. Adams mentioned that the Davis Campus of Weber State is very near to the Northrup Grumman project. This site has a very large potential for growth. He asked if having a campus five minutes away would make a big difference. Mr. Webster stated that for the individual who is five minutes away, that will help. He emphasized that they don't hire general engineers, they are looking for quality engineers, which is much more important than proximity. Mr. Sutherland said that it is much more important to have engineers from accredited institutions than to have engineers in close proximity to their site. Mr. Sutherland asked for continued support of the engineering initiative. The TIAB looks at which schools are getting the best results from the funding that is available.

Rep. Wallis asked where the funding for the engineering initiative is placed in the higher education budget. Mr. Pratt said that it is part of the on-going budget for the State Board of Regents. For FY 2010 the funding was all one-time. There is money in the State Board of Regents line items.

5. Utah Academic Library Consortium - Mike Freeman represents all of the Utah Academic Libraries. He gave a presentation which showed the institutions involved in the consortium and their core mission. The funding for the consortium is through the State Board of Regents. He explained that cooperative purchasing saves the state approximately \$600,000 per year. The UALC includes in Nevada and it is pursuing partnerships in Idaho. Mr. Freeman explained the advantages of this partnership program.

The consortium requests some one-time funding for their digitization projects. They have secured two grants which will allow them to digitize 100,000 pages next year. There has been \$100,000 of one-time money towards this project. There are probably 8,000,000 pages to complete this project. These newspapers are indexed in many ways, and support research in many different ways as well as record the history of the state. The UALC also partners with Higher Education, K-12 and public libraries. There are 1.1 million files available on digital information.

Mr Freeman explained that Ms. Rollins reaches out to K-12 to explain this project. He explained some of the recent projects. He asked for continued support of the UALC, they would like to request an on-going stream of money rather than just one-time funding.

Sen. Valentine asked what would happen if the digitization project could not be funded this year? Mr. Freeman said that with the grant from NEH they could probably complete 100,000 pages this next year. Most of this project is digitization from microfilm, so they won't lose resource. If funding is not possible this year, they will request funding next year.

Mr. Brown asked the time span of the records that are being digitized. Mr. Freeman said they are digitizing records as far back as they can. Because of some copyright issues, the federal government will only fund digitization up to 1923. Digitizing between 1923 and 1963 would have to be funded with state resources. Mr. Freeman estimates that they have digitized about 1 million pages to date out of about 8 million pages, so the project is about 20 percent complete. Sen. Romero thanked Mr. Freeman for his presentation and for his commitment and passion for this project.

Rep. McIff asked for clarification about which newspapers are being digitized. Mr. Freeman said that most of the focus has been pre-1923. Rep. McIff asked about the savings associated with sharing. To what extent is there overlap as opposed to additional efforts to share. Mr. Freeman said that the data is shared and there is great care to find what can be shared. They start with EBSCO databases, and share this with UEN, K-12, and public libraries. They look at initiatives and journals that are widely delivered to multiple campuses, these would be supplied collectively. Each institution would have some of their own databases to supplement state-wide databases.

Rep. McIff asked if the U of U benefits from the other databases. Mr. Freeman stated that this cooperation is a greater benefit to the smaller schools than the larger universities.

Rep. Moss reported that many students feel that using "Google" is the only research tool that is needed. She applauds the efforts of this consortium to show the value of primary sources research and the availability for all students in the USHE and K-12 systems. Mr. Freeman explained that the UALC does spend a great deal of time discussing validation of sources.

Sen. Adams asked why there needs to be an emphasis on physical buildings while most of the research is actually done electronically. Mr. Freeman reported that over 1,000,000 students visited the new library at UVU this year. Most libraries have a many computers available to students, as well as specialized software programs used in many programs that are not easily available on a home computer system. Rep. Beck felt that the library is a gathering and learning place for students. She thanked Mr. Freeman for the work they have done.

Sen. Valentine asked about the digitization search engines. Mr. Freeman explained that every word and photograph in the paper is searchable. Mr. Freeman also reported on the equipment at the U that can safely digitize rare books.

Rep. Webb asked Mr. Freeman which would be most important in times of shortage: building physical structures or more electronic and digitization. Mr. Freeman said he would support funding for digitization.

6. Unfinished Business. As requested at the last meeting, Mr. Buhler provided a list of new and discontinued programs and degrees which were approved by the Board of Regents. Mr. Buhler stated that these new degrees are not usually funded by the legislature, institutions have to tell the Regents how they are going to shift funding around to pay for the new degrees. Sen. Valentine mentioned that there were many new degrees at the Bachelor's and Master's Degree level; however, the only degrees that are being cut are AAS Degrees and Certificates.
7. Other Business. Joseph Watkins made a presentation regarding the student response to tuition increases. He emphasized the desire of the student association to keep tuition increases to a minimum. Rep. Beck assured Mr. Watkins and the other student leaders that the entire Committee is

very concerned about tuition. The Committee realizes that accessibility is greatly impacted by affordability.

Commissioner Sederburg introduced Dan Hurley, who is the Director of State Relations and Policy Analysis at the American Association of State Colleges and Universities. Dr. Hurley discussed the impact of the current economy on other states. He said that the other western states are going through remarkable pains which is placing a significant toll on higher ed systems.

Rep. McIff asked for clarification regarding Utah compared to other states. Dr. Hurley said that he is aware that the funding per student has decreased and that enrollments in Utah have dramatically increased.

Sen. Adams asked if Eastern states are in better shape. Dr. Hurley said that the economy has impacted all states, some more than others. Some states have gone out of the way to protect higher education. Sen. Valentine asked if other states have some best practices that perhaps Utah could consider.

Dr. Hurley stated that Utah could provide greater flexibility to institutions. Utah could also possibly be more efficient in collaborating procurement of items. Another possibility would be to combine purchasing power between universities, so that there was a more coordinated state approach.

MOTION: Rep. Wallis moved to adjourn.

Committee Co-Chair Valentine adjourned the meeting at 3:50 p.m.

Minutes were reported by Lorna Wells, Secretary.

Sen. John Valentine, Committee Co-Chair

Rep. Melvin R. Brown, Committee Co-Chair

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